State Water Resources Control Board



Executive Office

Tam M. Doduc, Board Chair

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NOTICE OF A PROPOSED AMENDMENT TO THE POLICY FOR IMPLEMENTING THE CLEAN WATER STATE REVOLVING FUND (CWSRF) FOR THE CONSTRUCTION OF WASTEWATER TREATMENT FACILITIES

This announcement is to inform interested and affected parties of the State Water Resources Control Board's (State Water Board) plan to consider amending the *Policy for Implementing the Clean Water State Revolving Fund for Construction of Wastewater Treatment Facilities* (CWSRF Policy) to do the following:

- 1) Update the CWSRF Policy so that it is consistent with all current procedures used by the Division of Financial Assistance (Division) for CWSRF financing;
- Allow the Division to implement a two tiered California Environmental Quality Act (CEQA) or CEQA Plus review of applicants' Projects, as determined to be appropriate during the CWSRF funding process;
- 3) Replace the current revenue program requirements with a credit review of applicants' ability to pay back CWSRF financing;
- 4) Delegate authority to the Division to approve routine, non-controversial Project Preliminary Funding Commitments (PFC) and to extend by 120 days the Sunset date established for a PFC;
- Delegate to the Deputy Director of the Division the authority to revise all CWSRF Policy appendices for administrative or procedural changes, not in conflict with the CWSRF Policy;
- 6) Add the service charge approved by AB 1742 (Chapter 632, Statutes of 2007), if applicable, and clarify the financial impact on the CWSRF financings;
- 7) Make necessary editorial changes to the CWSRF Policy; and
- 8) Update all CWSRF <u>Appendices</u> consistent with the proposed amended CWSRF Policy and current Division procedures.

The Division is seeking public comments on the proposed amendments to the Policy and the Appendices that will be considered for adoption by the State Water Board at a future Board meeting (scheduled for September 2, 2008). Exhibit A is a detailed listing of the proposed changes to the CWSRF Policy and is provided as an index for the proposed CWSRF Policy changes (Exhibit B). Exhibit B uses the following color-coding system (Microsoft Word's Track Changes tool) to indicate original text, deletions, and new text to the existing CWSRF Policy:

Original Text (no change): Black;

Deleted Text: Red (with strikeout through text); and

New Text: Red.

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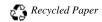


Exhibit C is the proposed amended CWSRF Policy with all changes accepted.

The 30-day comment period ends on Thursday, August 21, 2008, at 12 noon, Pacific Standard Time (PST). Comments may be submitted by mail, Fax (916) 341-5620, or email to commentletters@waterboards.ca.gov. Instructions for submitting comments can be found near the end of this letter.

BACKGROUND

The Division administers the CWSRF Program to provide low-interest financing agreements for construction of wastewater treatment and water recycling facilities, implementation of Non-Point Source (NPS) projects, programs, and development and execution of estuary comprehensive conservation and management plans.

The CWSRF Policy was originally adopted by the State Water Board on August 18, 1988, and last amended on July 17, 2007. This is the first comprehensive CWSRF Policy amendment since August 18, 1988, and includes all procedural changes that are relevant to the CWSRF Program. In addition, this Policy amendment will serve as an initial step in the development of regulations for the CWSRF Program.

Division staff has developed Exhibits A, B, and C for the proposed revisions of the CWSRF Policy. The State Water Board will consider at a future meeting whether to amend the CWSRF Policy addressing any comments received by August 21, 2008, from the public or stakeholders of the CWSRF Program. Staff recommends that the amended CWSRF Policy apply to future projects.

CHANGES TO THE POLICY

See Exhibits A, B, and C for all proposed changes to the CWSRF Policy.

REVISED APPENDICES

The Division proposes in this CWSRF Policy amendment that the State Water Board delegate limited authority to revise appendices, if needed, to reflect administrative or procedural changes, not in conflict with the CWSRF Policy, to the Deputy Director or Assistant Deputy Director of the Division.

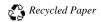
STATE WATER BOARD CONSIDERATION OF PROPOSED AMENDMENT

The Division intends to present the proposed amendments to the State Water Board for consideration on September 2, 2008, at the regular Board Meeting. Further information on the Board Meeting can be found at http://www.waterboards.ca.gov/board info/calendar/index.shtml.

The public will have until Thursday, August 21, 2008, to review these Policy recommendations and submit comments.

The proposed changes to the CWSRF Policy are included in the Summary Document of proposed CWSRF Policy Amendment changes (Exhibit A), the proposed changes to the existing CWSRF Policy (Exhibit B-additions or deletions shown in red), and proposed amended CWSRF Policy with all changes accepted (Exhibit C). The above documents and Appendices

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are available at the following web site: http://www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/index.shtml.

TO TESTIFY

You may submit written comments and give oral statements regarding the proposed amendments to the CWSRF Policy. Written comments should be submitted as early as possible to allow for thorough staff analysis. Please indicate in the subject line "Amendment to the Policy for Implementing the CWSRF." All written comments are due by 12 noon, PST, on Thursday, August 21, 2008. Written comments should be directed to:

Ms. Jeanine Townsend, Clerk to the Board State Water Resources Control Board 1001 "I" Street, 24th Floor Sacramento, CA 95814 FAX: (916) 341-5620

E-mail: commentletters@waterboards.ca.gov.

Oral comments may be directed to the State Water Board at its September 2, 2008, Board Meeting.

PARKING AND ACCESSIBILITY

All visitors are required to sign in and receive a badge prior to attending any meeting in the California Environmental Protection Agency (Cal/EPA) building. The Visitor and Environmental Services Center is located inside and to the left of the Cal/EPA Building's public entrance. Valid picture identification may be required due to the security level. Please allow up to 15 minutes for this process. Public parking is available in the City of Sacramento Garage on I Street between 10th and 11th Streets. Metered parking spaces are available on area streets. The Cal/EPA building is accessible by bus and light rail lines operated by Sacramento Regional Transit. The Cal/EPA building Hearing Rooms are accessible to persons with disabilities.

CONTACT PERSON

Any questions regarding this issue should be directed to Mr. Robert Been at (916) 341-5641 or by email at rbeen@waterboards.ca.gov. Individuals who require special accommodations are requested to contact the Office of Employee Assistance, at (916) 341-5881, prior to the meeting date. TTY users may contact the California Relay Service at (800) 735-2929 or voice line at (800) 735-2922.

July 22, 2008	Geanine Townsend
Date	Jeanine Townsend
	Clerk to the Board

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